TOWN OF CALHAN, COLORADO
NORTH TREE ANNEXATION IMPACT REPORT

To: El Paso County Board of County Commissioners
c/o Planning and Community Development Department
From: Jeff Liljegren, HR Green Inc., Contract Planner, for the Town of Calhan
Subject: North Tree Annexation Impact Report (County File ANX257)
Date of Report: November 12, 2026

The Town of Calhan submits this report for the North Tree Annexation under C.R.S. 31-12-108.5 and El Paso County Code Chapter 10.1.4, ahead of the Board of Trustees eligibility hearing on December 7, 2026, at 7:00 pm at the VFW Hall, 560 Colorado Avenue. Sections II through VII follow items (a) through (f) of the statute and County Code. Items in brackets will be completed before filing, and topics the Board has not yet decided are described as under review.

I. THE ANNEXATION

Area	95.9989 acres, contiguous to the Town along about 48 percent of its perimeter
Location	Northwest quarter of Section 2, Township 12 South, Range 62 West, 6th P.M., north of the center of track of the former Chicago, Rock Island and Pacific Railroad right of way and south of McClasky Road
Applicant	Smith Land Development and Company, LLC
Zoning	A-35 (County) to PUD (Town), with the PUD application to follow
Proposed use	Detached single family homes: 467 shown, up to 475 evaluated, with a cap to be set in the Annexation Agreement
Schedule	Resolution 2026-14 on October 13, 2026, Committee findings on November 19, 2026, Board special meeting on the water fee in lieu on November 23, 2026, eligibility hearing on December 7, 2026

II. MAPS AND LAND USE (a)

Appendix A shows boundaries, streets, water mains, sewer, other utilities and ditches, and land use, drawn from the annexation plat, General Development Plan Sheets 1 to 3, and Moore Figures 1 and 3. The site is undeveloped pasture zoned A-35, with County farm and grazing parcels to the north and west and Town residential and mixed uses to the east and south. The General Development Plan proposes homes, about 6 acres of parks, a stormwater pond, a 1.5 acre potential well site, and a transition buffer along the north and west boundaries. The Comprehensive Plan 2035 shows residential growth with a potential commercial corridor along McClasky Road, which the applicant has chosen not to show.

III. AGREEMENT (b)

The parties are negotiating terms of annexation, which will be incorporated into an annexation agreement that will govern the terms of annexation. Topics under discussion are the unit cap; water supply and fee in lieu; wastewater plant timing and cost sharing; border road improvements, including any deferral on Eurich Road with a trigger and cost responsibility; a County agreement; recorded Town rights to own, operate, and maintain the sewer main; the US 24 intersection solution; parkland and school fees; and the timing of the ordinance relative to zoning.

IV. MUNICIPAL SERVICES (c)

Service	Plan	Planning level cost
Water	Demand is 167.5-acre feet per year at 467 homes. About 21.7 acre feet per year of the property's supply, excluding Laramie Fox Hills water that cannot join the Town's wellfield, can be conveyed to the Town, leaving about 145.8 acre feet per year, so the Board is considering how Town supply could meet the difference, including a fee in lieu, at its November 23 special meeting. Rehabilitated Town wells could serve roughly 250 to 300 homes, subject to Board approval of Town water rights, a modified Ground Water Commission order for the Railroad well, and confirmation of well capacity after rehabilitation. A new well and a 1.5 acre well site are needed for full buildout, and two 8-inch connections meet pressure and fire flow targets within the development. The applicant's Water Solution Plan, which rounds the demand and supplemental need to about 168 and 146 acre feet per year, proposes to dedicate the property's water at annexation, provide the wells, and deliver supplemental water for homes beyond the first 62 through a fee in lieu or private supply, with each phase released only when the dedicated water covers its demand.	$2,560,000 (one new well; the applicant's plan adds a second well in a later phase)
Wastewater	The plant operates at about 75 percent of its 0.08 million gallon per day permit. Buildout needs about 200,000 gallons per day, and Moore recommends a package plant in two stages before stricter limits begin March 1, 2029. Connections beyond the plant's remaining capacity, roughly 100 homes, depend on the first stage of the new plant being in operation. A sewer main within the McClasky Road right of way would carry flows to the plant, subject to recorded utility rights and County permitting.	$6,730,000 for treatment only; the roughly 4,900 foot offsite sewer main is developer funded and not included

Service	Plan	Planning level cost
Stormwater	A detention pond in the northeast corner would release at or below historic rates to the existing roadside ditch on the south side of McClasky Road, within County prescriptive right of way. Offsite improvements, including the proposed culvert at the McClasky Road access point and any future bridge or box culvert, will be determined by the drainage reports and require County concurrence.	$500,000 allowance for culvert and drainage
Streets	CDOT would accept a roundabout or a T intersection at US 24 and Crystola Street, and the traffic study assumes a roundabout. McClasky Road is a Collector, Eurich Road and Crystola Street are Arterials, and all streets are public.	$2,890,000 with turn lanes or $6,750,000 with a roundabout
Parks	Parkland is 0.035 acre per home, or 16.345 acres at 467 homes. About 6 acres are shown, with the balance by fee in lieu.	By fee in lieu
Public safety and other	The Town provides police service. Solid waste service is provided with the Town's wastewater service, and no separate costs have been identified for the annexation at this time. The fire district and Mountain View Electric have no objection, and the Postal Service notes staffing needs.	Not estimated

Combined, the water, wastewater, stormwater, and transportation estimates total about $12.7 million with turn lanes or $16.5 million with a roundabout.

V. FINANCING (d)

The approach under discussion is applicant funded infrastructure, with terms, phasing, and any reimbursement set in the Annexation Agreement. The applicant proposes to pay North Tree's share of the treatment plant. The Board has yet to decide the water fee in lieu, plant cost sharing, intersection responsibility, and parkland and school fees. The totals in Section IV exclude the water fee in lieu, which the Board will consider on November 23, and the developer funded connection mains and offsite sewer main. The applicant has indicated it expects to fund its facilities through a metropolitan district and applicable grants, and has asked that infrastructure costs be verified independently. A fiscal analysis of operating costs and revenue has not yet been prepared and can be added as the annexation moves forward.

VI. EXISTING DISTRICTS (e)

The County Assessor lists these districts for the parcel: Calhan School District RJ 1, Calhan Fire Protection District, Pikes Peak Library District, Upper Big Sandy Ground Water Management District (also known as Big Sandy Water District), and Double El Conservation District.

VII. SCHOOL DISTRICT EFFECT (f)

Calhan School District RJ 1 serves the area. The General Development Plan proposes fees in lieu for school facilities, and the applicant anticipates about 90 homes per year over four to seven years. [District to provide the student generation rate, estimated students at 467 homes, and capital construction needed.]

VIII. PLAN FOR THE AREA

The Comprehensive Plan 2035, adopted in July 2025 and reviewed by the County throughout its development from April 2024 through July 2025, serves as the plan for the area under C.R.S. 31-12-105(1)(e)(I). Because the County reviewed the plan during its development, the five copies described in County Code 10.1.4 are not needed.

IX. COUNTY AND AGENCY COORDINATION

- **County Planning:** A transition buffer is shown on the north and west, with its form set at the PUD. Part 77 aviation surfaces will be addressed at Preliminary Plat, and the County will receive future zoning and subdivision submittals.
- **County Public Works:** The south 30 feet of the 60 foot McClasky Road right of way lies within the annexation area, and the north 30 feet remains in County right of way. The County has suggested the road be annexed with the parcel, and a Town and County agreement will address maintenance and the Town sewer main. Improvements are set by the traffic report, Eurich Road right of way is preserved, the pond is now on site, and drainage reports come at Preliminary and Final Plat.
- **County Parks:** No dedication is required.
- **CDOT:** Recommends including the US 24 solution in the Annexation Agreement.

X. NEXT STEPS AND FILING

The Board will consider the water fee in lieu on November 23 and the annexation on December 7, and the applicant will follow with its PUD application, drainage report, and updated traffic study. The Town files this report with the County Planning and Community Development Department (file ANX257, attention Kari Parsons) on November 12, 2026.

Appendices:

A. Maps and exhibits (forthcoming, Annexation Plat for now);

B. Annexation Agreement, (to be provided when a draft is available);

C. Moore Infrastructure Capacity Assessment;

D. Kimley Horn utility report and General Development Plan;

E. Traffic study and CDOT letters;

F. Referral comments and responses;

G. Comprehensive Plan excerpts;

H. Resolution 2026-14, hearing notice, and proof of publication.